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## CONFIDENTIAL UNVIE VIENNA 000002

## SIPDIS

STATE FOR T, S/SANAC, IO, ISN; IO/GS ALSO FOR AMB DAVIES DOE FOR NA-20, NA-24, NE-1, NE-6 NRC FOR OIP DOANE, HENDERSON, SCHWARTZMAN NSC FOR SCHEINMAN, HOLGATE, CONNERY

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SUBJECT: IAEA AMANO TRANSITION SITREP 2: MANAGEMENT

TURNOVER IN NUCLEAR SAFETY AND SECURITY

REF: A. 09 UNVIE 563 <u>1</u>B. 09 UNVIE 536

¶C. 09 UNVIE 322 ¶D. 09 UNVIE 76

Classified By: Charge d'Affaires Geoffrey Pyatt, reasons 1.4 (b) and (d).

- 11. (SBU) SUMMARY: This is the second report in UNVIE's new series on IAEA personnel changes. Further complicating DG Amano's pending decision on appointing a DDG for Nuclear Safety and Security are the organizational issue of whether to elevate Nuclear Security as a department under its own DDG, and the expected retirement late in 2010 of Nuclear Security chief Anita Nilsson. Beside DDG Taniguchi, whom Secretariat colleagues continue to expect will shortly move aside, and Nilsson, the Department's two Division Heads and two high-ranking Section Heads will likely seek positions elsewhere, though at least two of these staff members are eyeing the spots that would be vacated by Nilsson and Taniguchi. In preparation for Amano's Washington consultations January 11-12, and with an eye to the April Washington Summit, the U.S. should re-examine whether elevating the Office of Nuclear Security to become its own Department (ref D) would be advantageous for the Agency's work and attainable at a justified political cost. END SUMMARY.
- $\P 2$ . (C) Two Mission contacts, Warren Stern (U.S.), Head of the Incident and Emergency Center, and Tim Andrews (UK) of the Office of Nuclear Security, repeated to us recently that Secretariat staff anticipates the reassignment or departure of Deputy Director General (DDG) Tomihiro Taniquchi (Japan) in the near future. Andrews's boss, Director of the Office of Nuclear Security Anita Nilsson (Sweden), reached the IAEA's mandatory retirement age of 62 late in 2009 and, pending action to the contrary by Amano, is expected to depart in November 2010 when her extension expires. Deepening the management drain, Stern himself, the only U.S. national heading a unit in the department, plans to return to Washington in March, and Director of the Division of Radiation, Transport and Waste Safety Eliana Amaral (Brazil) is also reportedly departing the IAEA. Meanwhile, two remaining top managers - Director of the Division of Nuclear Installation Safety Philippe Jamet (France) and Head of the Safety and Security Coordination Section Khammar Mrabit (Morocco) - are jockeying for the positions to be vacated by Taniguchi and Nilsson.

- 13. (C) From the vantage point of our contacts, the stage looks promising for Jamet, an internal candidate respected for his technical capabilities and supported by a major contributor state. (Note: This DDG spot is traditionally held by an advanced nuclear country. Moreover, as reported ref A, DG Amano aims to appoint a DDG/NS from a "responsible, developed country." End Note.) Jamet has publicized his intention to apply for the DDG post or, as a fallback position, Director of the Office of Nuclear Security (ONS). (COMMENT: It remains Mission's view that Jamet is not the best choice for the U.S. He would likely advance the encroachment of Areva officials on IAEA territory, thereby prejudicing the American nuclear industry. Moreover, Jamet does not have security expertise and is not likely to support/promote the IAEA's security work more than Taniguchi has in the past. In addition, although Jamet is very technically competent, he has not been inclusive of other groups, either internal or external to the IAEA, and may not have a strong enough management style to break down the stovepiping between safety and security or between the NS Department and other Departments in IAEA. Given the department's long struggle with poor leadership under Taniguchi, we are concerned about this apparent weakness in Jamet's resume. END COMMENT.)
- ¶4. (C) An alternative to Jamet is the Head of the Safety and Security Coordination Section, Khammar Mrabit (Morocco). Mrabit enjoys more than twenty years of experience at the IAEA and previously served as head of two other sections: Policy and Program Support, and Radiation Safety and Monitoring. Like Jamet, his technical background in safety is sound, though not as comprehensive as Jamet's. He has an

advantage over Jamet in that he currently works on coordinating safety and security issues, has a good understanding of the security issues, and has a good reputation with staff in ONS. According to Warren Stern, Mrabit has been particularly conciliatory towards ONS of late. Stern also notes that Mrabit is pro-American and possesses the strong leadership skills that would make him a good DDG.

- 15. (C) Tim Andrews, a UK diplomat and Nilsson's second in command in ONS, confirmed the candidacies of Jamet and Mrabit but declined to comment further. He pointed out, however, that an effort to establish a separate Department of Nuclear Security under a DDG, (an idea Andrews, and separately the Iranian Ambassador here, have advocated) would benefit if there were a prominent G-77 candidate like Mrabit in contention. According to Andrews, "a wily Director General" could dangle this option as part of an otherwise unilateral decision to peel off ONS from the wider department. Stern, for his part, largely discounts the need for a separate department. He views the conflicts in Safety and Security as "personality driven" (between Taniguchi and Nilsson) and argues that the interdependence and synergies between the fields of safety and security are so great that the Agency's work would suffer from added barriers.
- 16. (C) COMMENT AND RECOMMENDATION: In Amano's January 11-12 meetings in Washington, the U.S. side should be prepared to discuss its views on the establishment of a separate IAEA department under a Deputy Director General for Nuclear Security. This issue has not been aired in Vienna beyond the staff level and may not yet be on Amano's agenda, but he has made very clear his intention to make nuclear security a top priority and his desire to support the impetus behind the April Washington summit. Mission is aware that some in the U.S. inter-agency are concerned that separating Safety and Security bureaucratically would hinder or counter the imperative of the IAEA to promote an integrated safety and security culture to governments, regulators, and facility operators. Since the April Nuclear Security Summit will aim to give an impulse to the Agency's work, organizing the IAEA effectively for its role will be of concern to Amano. The important impulse would be a very substantial and sustained rise in resources; any redrawing of the organigram should be

driven by targeting experts and increased funding at the work to be done rather than as a political signal in the campaign to attract the resources.

¶7. (C) COMMENT contd.: Reorganizing and empowering ONS, if that is Amano's intention, would be a challenge of resources and political capital in Vienna. Based on our experience in the last budget cycle, we expect most member states will continue to oppose substantially increased contributions to the operating budget. Politically, the G-77 would swallow the expansion of Nuclear Security only in exchange for generous budgetary plus-ups for Technical Cooperation and the promise of prominent postings for G-77 candidates. In this light, Khammar Mrabit's effort to rise in the Secretariat takes on added interest. END COMMENT.

PYATT